

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Extended Study Session

April 9, 2001  
6:00 p.m.

Council Conference Room  
Bellevue, Washington

PRESENT: Mayor Mosher, Deputy Mayor Marshall, Councilmembers Creighton, Davidson, Degginger, Lee, and Noble

ABSENT: None.

1. Executive Session

The meeting was called to order at 6:12 p.m. by Mayor Mosher, who presided. There was no executive session.

2. Oral Communications

- (a) Paul Perkins asked Council to stop building roads and to instead focus on promoting carpooling and effective mass rapid transit. He noted that Germany effectively avoids traffic congestion by running cars and light rail on the same roads. Mr. Perkins submitted a letter with his comments and suggestions.

3. Study Session

- (a) Council New Initiatives

Deputy Mayor Marshall said she received numerous phone calls over the weekend from citizens in the newly annexed West Lake Sammamish area. Citizens were told they would benefit from lower City of Bellevue property tax rates following annexation. Due to circumstances beyond the City's control, the date for implementing City of Bellevue tax rates in that area has been postponed for one year. Mrs. Marshall requested Council consideration of an ordinance to change the effective date of the annexation, which will be submitted to King County Tax Assessor Scott Noble.

- ➡ Mrs. Marshall moved to adopt the proposed public emergency ordinance provided in Council's desk packet which would change the effective date of the West Lake Sammamish annexation, and Mr. Lee seconded the motion.

- The motion to adopt the proposed public emergency ordinance provided in Council's desk packet which would change the effective date of the West Lake Sammamish annexation carried by a vote of 7-0.

(b) Performance Measures – Annual Scorecard Results

City Manager Steve Sarkozy noted that performance measures are an important part of the City's program evaluation process and that Bellevue is a national leader in municipal government's use of performance measures.

Interim Finance Director Gary Ameling said the City has been tracking performance measures for approximately five years. This is the fourth year staff has summarized performance measure results into a summary document, which is also available on the City's internet site. The summary report tracks 183 of the 700+ measures used by the City. Mr. Ameling said the summary of the performance measures report contains a new section called "Bellevue's Vital Signs" which includes 16 performance measures selected to provide the best indication of the city's overall well being.

Performance and Outreach Coordinator Rich Siegel discussed Bellevue's vital sign performance measures, noting a decreasing level of performance for some key measures. City Council addressed some of these indicators by adding positions and resources in the 2001-2002 budget related to neighborhood traffic enforcement, development activities, and communications center staffing.

In response to Mayor Mosher, Mr. Siegel said staff will pose follow-up questions regarding residents' satisfaction/dissatisfaction with Bellevue as a place to live in the Parks and Open Space Plan survey to be conducted in May. Mr. Ameling said future performance measure surveys will encourage respondents to provide additional comments along with their yes/no responses.

Continuing with his review of the key performance measures, Mr. Siegel said the portion of residents satisfied with the City's planning for the future has remained at the same level, 60-65 percent, for the past three years. A large percentage of residents, 89 percent, reported that their neighborhood is a good or excellent place to live. The City's bond rating reflects Bellevue's political stewardship and professional management. Bellevue maintains adequate cash reserves for all of its funds, has very little long-term debt, and consistently receives awards of excellence for both budgeting and financial reporting from the Government Finance Officers Association. Mr. Siegel noted Bellevue's positive performance for public safety measures. Bellevue enjoys high customer satisfaction ratings for clean streets as well as high ratings for pavement conditions. Bellevue experienced a low rate of water service interruptions (3.2 per 1,000 connections) and no violations of state and federal drinking water standards in 2000.

Responding to Councilmembers, Utilities Director Lloyd Warren said water service interruptions are primarily due to construction and maintenance activities.

Mr. Siegel said department scorecards contain performance measures identified as the most significant measures for each department. Of the 183 measures tracked in this year's report, 122 are effectiveness/efficiency measures and 61 are workload measures. Targets were met for 48 percent of the 108 effectiveness/efficiency measures. Where targets were not met, departments came close on many measures. Mr. Siegel said growth demands and associated workload increases were the primary reason for slight performance shortfalls experienced in 2000.

Mr. Siegel reviewed actions taken to improve performance in the coming year:

- 2001-2002 budget investments should produce future efficiencies and improve stakeholder satisfaction.
- Implementation of Parks and Community Services survey system.
- Update to Human Services Needs Assessment.
- Creation of Planning and Community Development's Construction Code Advisory Committee to implement performance audit recommendations.
- Bellevue joined an alliance of 22 King County cities representing 700,000 residents to share technology and accelerate online services to stakeholders.
- Expansion of public involvement process in Neighborhood Traffic Calming program.
- Implementation of new project management tools in the Transportation Department.
- Public safety computer-aided dispatch system implemented in last quarter of 2000.
- Implementation of Compensation and Classification Study recommendations.
- Design and implementation of *Bellevue Beginnings* orientation program.

Mr. Siegel said next steps include following up on survey responses to learn more about residents' opinions, reviewing current programs to see if they are meeting performance objectives, and reinforcing the City's emphasis on customer/stakeholder needs.

Deputy Mayor Marshall expressed enthusiasm for a portion of the introduction to the Performance Measures report: "Citizens and other stakeholders invest substantial resources in their government and rightfully expect that the government will provide, in return, quality services at a reasonable cost. This is government's bottom line." She feels this accurately captures what Council and staff strive for in terms of service delivery.

In response to Mr. Lee, Mr. Ameling said staff plans to gather follow-up information from residents and report back to Council in June. Mr. Sarkozy commented that rapid growth and associated traffic and economic impacts likely contribute to the slight decrease in citizen satisfaction with City operations, regardless of whether City management is actually responsible for the perceived quality of life changes.

Mayor Mosher expressed support of staff's performance measures reporting and analysis. He wondered how Bellevue residents' satisfaction ratings compare to other jurisdictions.

Mr. Ameling thanked department staff for their work and Mr. Siegel for his leadership of the program.

In response to Dr. Davidson, Mr. Ameling said the Performance Measures program was initiated prior to the City's involvement in ICMA's Comparative Cities program. The programs now overlap and 27 of the ICMA measures are included in the Performance Measures report. ICMA Comparative Cities results for 2000 will not be available until late summer or fall. Mr. Siegel is working to encourage more Washington cities to participate in the ICMA program and to utilize customer-related measures.

(c) Transit Plan Update

Mr. Sarkozy recalled Council's March 26<sup>th</sup> discussion of transit planning priorities and Council's direction to staff to revise the draft letter to King County Executive Ron Sims and the King County Council.

Transportation Director Goran Sparrman said Bellevue's population and employment have increased substantially since 1970 and further growth is expected through 2020. He displayed a graphic showing the change in transit service structure since 1995. King County Metro's Six-Year Transit Plan recognizes that continuing decentralization of population and employment in King County has decreased travel to Seattle and resulted in the rapid growth of suburb-to-suburb trips. Metro's Six-Year Plan (1996-2001) allocated 28.6 percent of new service hours to the East Subarea and 35.7 percent to each of the South and West Subareas.

Mr. Sparrman said Metro's 2002-2007 Plan proposes to increase the East Subarea's service allocation by 41 percent. He noted the potential for significant increases in service hours using alternative allocation models. The following are projected increases in service allocations for the East Subarea if based on:

Employment – 87 percent increase  
Population – 111 percent increase  
Sales tax revenues – 140 percent increase.

Mr. Sparrman said an alternative allocation method would enhance routes to improve neighborhood connections to Bellevue activity centers and strengthen the overall Eastside network. It could potentially provide service frequency and coverage currently experienced between most Seattle neighborhoods and key activity centers. Mr. Sparrman noted that increased service for the Eastside would necessitate trade-offs in the regional transit system.

Mr. Sparrman said Metro's goal is to recover 25 percent of operating expenses through fare box collections. For 1999 system-wide operating revenues, 21 percent were achieved through fare box collections and most of the remaining 79 percent reflects sales tax revenues. Mr. Sparrman displayed maps showing various service levels on weekdays and weekends and concluded that Bellevue's transit service is primarily limited to peak weekday hours. He discussed projected 2010 transit demands based on three markets: 1) Intra-Bellevue trips, 2) Bellevue-Eastside trips, and 3) Bellevue-Regional trips.

Mr. Sparrman presented a draft Bellevue Transit Network Vision developed using the three transit markets as a foundation. The overall objective is to serve Bellevue with urban-quality transit service by providing the following improvements:

- Faster connections to/from Overlake area via Bel-Red Road, frequent two-way service to Redmond, and frequent Crossroads connections.
- Frequent all-day connections between Crossroads and Factoria.
- Direct service from East Bellevue to Downtown Bellevue.
- Direct service between East Bellevue and Factoria.
- Provide SE Bellevue with access to transit system.
- Enhanced service between Issaquah and Bellevue and between Factoria and downtown Bellevue.
- Improved access to Overlake Hospital and increased frequency to Kirkland.
- All-day service to Kirkland and Overlake.

Mr. Sparrman said King County is unsure about its schedule for the Six-Year Transit Plan Update and no longer plans to add service in June or September. He outlined the following next steps for Bellevue staff's Transit Plan update:

- Evaluate resource allocation alternatives.
- Finalize Service Element of Bellevue Transit Plan.
- Initiate review of Capital Element. Preliminary scope of review includes signal priority treatments, arterial HOV lanes, commuter parking facilities, bus layover facilities, bus shelter program, and transit centers.
- Review and update Policy Element beginning this summer. Preliminary scope of review includes subarea resource allocation, route resource allocation, transit-oriented development, innovative transit technologies, fare policy, and Sound Transit Phase II integration.

Mr. Sparrman requested Council direction regarding the draft letter to King County and staff's proposed Transit Network Vision.

Mr. Degginger reviewed that the Eastside represents 28 percent of King County's population, 27 percent of the region's housing, and 26 percent of the region's jobs. However, the Eastside currently receives 17 percent of King County Metro's bus service. Bellevue's sales tax revenues also represent a significant contribution to Metro's budget. Mr. Degginger said service allocations are outdated and unfair to the Eastside, which is subsidizing in part transit service to other areas. Referring to the proposed Bellevue Transit Network Vision, Mr. Degginger encouraged enhanced service to neighborhood shopping centers.

Mr. Lee agreed that service allocations are unfair and need to be updated. He expressed support for the proposed letter to King County and the draft vision statement.

Dr. Davidson encouraged Metro to eliminate subarea divisions and to treat the transit system as one overall network. Similarly, he questioned the logic and fairness of Metro's zone structure and higher fares for traveling between zones.

In response to Mr. Noble, Senior Planner Franz Loewenherz said Bellevue's proposed recommendations to Metro do not address Dial-a-Ride and neighborhood shuttle services but instead focus on fixed route operations. Mr. Sparrman noted that these types of alternative services have not been particularly successful in the past. Referring to the draft letter to King County, Mr. Noble suggested adding "and the Eastside" to the second sentence discussing population and employment densities in Bellevue.

Mr. Creighton observed that the Eastside's service allocation of 17 percent is actually overstated since Seattle-Eastside routes are counted as Eastside hours. He would like this point to be added to the letter to King County. He acknowledged that Seattle is somewhat more conducive to transit service than the Eastside because roads are arranged in a grid system. Mr. Sparrman agreed and noted that staff's recommended network focuses on connecting primary activity centers and reducing travel times.

Deputy Mayor Marshall expressed concern about the current dispute over fare increases. She noted that Bellevue citizens have been strongly supportive of transit over the years and approved Sound Transit's Phase I funding. She feels the Metro service hours/routes replaced by Sound Transit routes should be immediately redeployed for Bellevue and the Eastside. Bellevue voters rejected Initiative 745 and approved the recent sales tax increase for transit and therefore deserve transit services in return. Mrs. Marshall is in favor of a fare increase because this will offset the subsidy of transit services currently provided by Eastside sales tax revenues.

Following additional brief discussion, Mayor Mosher noted Council consensus to communicate support of a fare increase in the letter to King County. Mrs. Marshall thanked staff members for their work on the presentation and letter.

Mayor Mosher declared a break at 8:03 p.m., and the meeting resumed at 8:14 p.m.

(d) Economic Development Work Plan

Mr. Sarkozy introduced this agenda item as a presentation of the City's Economic Development Program and a discussion about the Bellevue Economic Partnership.

Ellen Miller-Wolfe, Economic Development Manager, recalled that the City's role in economic development emerged from the 1992 Economic Development Summit that established a shared vision between private and public partners for the community. Issues at that time included land use regulations, competitive taxes, infrastructure to support growth, downtown development, tourism, and the establishment of an ombudsman role within the City for business partners. In 1997, the City took a more proactive role in economic development through greater City participation in downtown projects, implementation of ULI recommendations, involvement in short-term parking strategies, and the expansion of Meydenbauer Center.

Ms. Miller-Wolfe reviewed key initiatives implemented in 2000: 1) preservation and enhancement of neighborhood shopping centers, 2) participation in the Bellevue Economic Partnership, and 3) telecommunications. Last year the City conducted a study of the Lake Hills Shopping Center, which provided the community with multiple opportunities to provide

feedback to the City and the property owner about redevelopment options. A similar process has been initiated for Newport Hills Shopping Center. The City worked last year to enhance telecommunications in Bellevue and to remove regulatory barriers to the deployment of telecommunications infrastructure. The City also convened a group of agencies and utilities to coordinate the co-location of wireless cells.

Ms. Miller-Wolfe said the City continues to explore parking solutions for downtown Bellevue. A survey of downtown businesses in 2000 indicated a low level of interest in developing a shared parking management approach in the downtown. Parking will again be addressed in the review and update of the Downtown Implementation Plan currently underway.

Looking ahead to 2001, Ms. Miller-Wolfe said the City will continue to focus on neighborhood shopping centers, technology/telecommunications, and the Bellevue Economic Partnership. Staff met with a focus group of business stakeholders earlier today to discuss the accommodation and encouragement of technology uses within the community. Additional projects for the coming year include web page enhancement and overall communications strategies. Ms. Miller-Wolfe introduced Sue Baugh and Will Einstein, Chairs of the BEP.

Ms. Baugh said the BEP was formed in 1997 by Bellevue Chamber of Commerce, Bellevue Downtown Association, City of Bellevue, and Port of Seattle. BEP markets Bellevue as a community where technology, lifestyle, and business connect. BEP's goal is to retain and recruit high-technology businesses to downtown Bellevue and other commercial areas. Interviews with local companies during the past year provided valuable insight into how Bellevue can maintain its vibrant economy for high-tech, high-skill companies:

- Investment in technology is critical. More than 70 percent of Bellevue homes have personal computers, which is significantly higher than the national average of 41 percent. Ms. Baugh noted that high-tech companies consume enormous amounts of electricity. She said it is critical that the region work together to develop long-term power resources to serve the energy needs of a growing high-tech economy.
- Investments in the business environment are critical. Ms. Baugh said Bellevue must continue to create attractive, efficient office space. Also, strategies should be implemented to nurture the growth of start-up companies.
- Bellevue City government must continue its priority of responsiveness to business needs.
- Investments in lifestyle such as well-maintained parks, the new Bellevue Art Museum, transit improvements, and enhancements to Bellevue's natural environment help to attract and retain businesses and a highly skilled work force.

Mr. Einstein said the 100 interviews conducted by BEP helped to achieve two main objectives: 1) identified and targeted businesses and new sectors for recruitment, and 2) helped remove barriers that might impede the growth of existing business. The interviews also identified significant challenges to maintaining a sustainable economy such as traffic congestion and housing affordability. Mr. Einstein reviewed BEP's marketing goals for 2001:

- Provide leadership for strategic business recruitment and retention programs.

- Foster growth of high-technology businesses and jobs in downtown Bellevue and other high-tech corridors.
- Strengthen Bellevue's reputation as the Eastside's premier business location and the hub of the Pacific Northwest high-tech economy.
- Expand market partnerships with brokers, financial institutions, architects and others who impact business and location decisions.
- Establish strategic marketing partnerships with the Northwest Center for Emerging Technologies at Bellevue Community College and other regional high-tech retention and recruitment organizations.
- Create forums to share information and build consensus for high-tech initiatives.
- Work to ensure the growth of the telecommunications industry and other infrastructure that supports a high-tech economy.
- Measure the economic impact of high-tech businesses in Bellevue by monitoring trends that impact the growth of high-tech businesses.

Mr. Einstein thanked the City for its commitment to the BEP. He thanked Councilmembers Degginger and Noble for their participation on the steering committee, and Deputy Mayor Marshall for her past participation on the steering committee.

Mr. Creighton reported complaints by citizens regarding the lack of broadband access in Bellevue and questioned the prognosis for neighborhoods in this regard. Ms. Miller-Wolfe confirmed that the industry has slowed down. She said new wireless technologies are emerging that could bring some desktop broadband access to the region. The City is working with Puget Sound Energy and providers to encourage the installation of telecommunications infrastructure in conjunction with PSE's construction and maintenance projects.

Mr. Degginger commended Ms. Baugh's leadership of the BEP and expressed support for its continuing activities. Mr. Lee is pleased with the work of the BEP and the City's role in its efforts. Mrs. Marshall thanked Ms. Baugh and Mr. Einstein for their presentation.

(e) Council Vision and 2001 Priorities/Work Plan

Mr. Sarkozy introduced the presentation covering: 1) a review of 2000 accomplishments, 2) a review of the Council vision statement, 3) preamble to vision statement, and 4) Council work plan. He highlighted a number of the City's key 2000 accomplishments:

- West Lake Sammamish annexation
- Access Downtown Project planning and funding
- Compensation and Classification Study
- Council did not raise property taxes for the fourth year in a row.
- Creation of Construction Code Advisory Committee
- Major allocation of resources to City's Human Services strategy
- Completion of 26 Capital Improvement Plan (CIP) projects including 28 Neighborhood Enhancement Program projects and 6 traffic calming projects
- Mode splits (carpools and bus ridership) continue to increase for downtown workers.



- Record year for economic development with approximately \$400 million of new investments in the community.

Mr. Sarkozy directed Council's attention to the preamble to the vision statement submitted by Mr. Degginger. There was general Council approval of the draft preamble with the minor revision of removing excess instances of "who."

Council then reviewed the draft vision statement and concurred with the majority of the text. There was consensus that the sentence regarding a "smart city" and technology should be rewritten to clarify its message. There was consensus to restore the word "our" (instead of "its") in the last statement regarding the City's core values.

Mr. Sarkozy noted the Council Work Plan with suggested revisions by the Leadership Team and incorporating the list of audacious goals adopted by Council on April 20, 2000. Mayor Mosher feels Public Safety should be added as a major heading on the Council Work Plan. Council agreed to continue discussion of the Work Plan at a later date.

At 9:17 p.m., Mayor Mosher declared the meeting adjourned.

Myrna L. Basich  
City Clerk

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